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UNCLAS SECTION 01 OF 04 KATHMANDU 000358

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STATE FOR SA/INS AND DS/IP/NEA STATE ALSO PLEASE PASS USAID/DCHA/OFDA STATE ALSO PLEASE PASS PEACE CORPS HQ USAID FOR ANE/AA GORDON WEST AND JIM BEVER MANILA FOR USAID/DCHA/OFDA LONDON FOR POL/REIDEL TREASURY FOR GENERAL COUNSEL/DAUFHAUSER AND DAS JZARATE TREASURY ALSO FOR OFAC/RNEWCOMB AND TASK FORCE ON TERRORIST FINANCING JUSTICE FOR OFFICE OF THE DEPUTY ATTORNEY GENERAL/DLAUFMAN

E.O. 12958: N/A

TAGS: PHUM PTER CASC PGOV NP IN
SUBJECT: UPDATE ON NEPAL'S MAOIST INSURGENCY, FEB 22-28

(A) KATHMANDU 0152 (B) KATHMANDU 0311 REFERENCE:

SUMMARY

- 11. Narayan Singh Pun, Minister of Physical Planning and 11. Narayan Singh Pun, Minister of Physical Planning and Works and government-appointed peace talks coordinator, said the peace process will take time but can be accomplished without the participation of other political parties if necessary. Pun also said he expects to hold talks with the Maoists within the next few weeks. The National Human Rights Commission (NHRC) has called for information about the peace process to be shared with political parties and the people of Nepal as well. Girija Prasad Koirala, the President of Nepali Congress (NC), criticized the GON for failing to announce a code of conduct or its negotiating team. Maoist leaders in town for negotiations with Pun Maoist leaders in town for negotiations with Pun continue to meet with major party leaders. Maoist leader Prachanda warned that his party was ready to resume the armed conflict if the peace talks failed and criticized the Government of Nepal (GON) for violating the ceasefire by allowing security operations, including arrests of Maoist cadres, to continue. Colonel Deepak Gurung, the Royal Nepal Army (RNA) spokesman, says the army welcomes the ceasefire, but is also prepared to resume fighting if the peace talks fail.
- Summary Continued. The Maoists continue to hold mass political meetings in the countryside. Maoist prisoners in a Kathmandu jail, who have already staged protests and sitins, have threatened to go on a hunger strike if the GON does not meet demands for the release of imprisoned cadres. Maoists reportedly have issued a death threat to a journalist who wrote an unfavorable article about the insurgents, and confined another to his village. A man accused of stealing was shot and killed by the Maoists on February 22 in Dang District. Investigations into the January 26 murders of Krishna Mohan Shrestha, Inspector General of the Armed Police Force, his wife and bodyguard (Ref A), continue. Maoists reportedly have admitted mistakenly killing two children and seriously injuring another at a primary school in northwestern Baglung District on February 18 (Ref B), but denied other reports that they are responsible for increased incidents of looting. End

PEACE PROCESS WILL TAKE TIME; GON READY TO MOVE FORWARD ON ITS OWN

- Narayan Singh Pun, Minister of Physical Planning and Works and government-appointed peace talks coordinator, said on February 26 that peace talks were an ongoing, complex process, which will take time to develop. Minister Pun told reporters that peace talks between the GON and the Maoists, which will require much patience and skill, might begin toward the end of March. Pun was also quoted in the local press as saying he communicates by telephone with the Maoists, including Dr. Baburam Bhattarai, the leader of the Maoist negotiating team, as often as five times a day.
- 14. Minister Pun reportedly said that the GON would first hold talks with the Maoists, and then invite political parties and representatives of civil society to participate, but that peace was possible without participation from the other political parties. Speaking at the Reporters' Club on February 26, he asserted that a "thousand things" had already been achieved, and the GON's patience was wearing thin with criticism by the political parties. According Pun, the GON was committed to fulfilling the interests of the people "on its own" if necessary.

DEMAND FOR CODE OF CONDUCT DETAILS

- 15. The National Human Rights Commission (NHRC) criticized both the GON and the Maoists for failing to make details of the ceasefire and code of conduct public. Nayan Bahadur Khatri, Chairman of the NHRC, said that details of the peace process should not be limited only to the GON and the Maoists, but should include other political parties and the people of Nepal. According to press reports, Minister Narayan Singh Pun, government-appointed coordinator for the peace talks, said on February 21 that both sides had exchanged drafts for a code of conduct, but refused to give details, saying they would be made public soon. According to press accounts, Minister Pun met informally with Krishna Bahadur Mahara, a member of the Maoist negotiating team, on February 27 to finalize the code of conduct, but there were disagreements over the re-deployment of the army.
- 16. The NHRC also denounced the GON and the Maoists for failing to respond to the draft it submitted to both sides outlining its own proposed code of conduct. The draft had called for a revocation of the Terrorist and Disruptive Activities Act, an immediate end to violence, and a halt to the use of weapons by the insurgents and security personnel.
- 17. Girija Prasad Koirala, the President of Nepali Congress (NC), said his party hoped the ceasefire would turn into lasting peace, but questioned the seriousness of the GON. Koirala, speaking at a press conference on February 27, accused the GON of creating further confusion by its refusal to make public a code of conduct, and criticized its failure to announce a negotiating team. Koirala said the most desirable solution to the current problem should come from the framework of the current constitution, and should not merely be an agreement between only two sides. Koirala also told the audience of foreign and national news media that his party was not willing to recognize the government under Prime Minister Lokendra Bahadur Chand, nor the Royal Act that dissolved the Deuba Government last year.

PRACHANDA READY TO FIGHT TO THE END

- 18. Maoist leader Prachanda issued a statement on February 25, declaring that the Maoists would "fight to the end" if the GON did not create a conducive environment for peace talks. Prachanda accused the GON of violating the ceasefire not only by continuing to arrest his cadres and carrying out search and patrol activities, but also by allegedly intensifying such operations. Prachanda criticized the GON for its delay in preparing a negotiating team and for its failure to take any "concrete or positive steps."
- 19. Prachanda has continued to contact members of political parties, urging them to be involved with the peace process. Girija Prasad Koirala, President of Nepali Congress (NC), reportedly was contacted by Prachanda on February 25. Koirala said the Maoist leader told him to play a key role in the talks and reiterated that there had been no secret agreements made prior to the announcement of the ceasefire. A diplomatic colleague also reports that Maoists have approached his embassy, asking it to arrange a meeting for them with a number of European missions.
- 110. Krishna Bahadur Mahara and Dinanath Sharma, members of the Maoist negotiating team for the peace talks, met with former Prime Minister Sher Bahadur Deuba. According to Deuba, Mahara and Sharma asked for help in generating public support. Deuba told the local press that his party would neither help the Maoists nor fight against them, but expressed concern over their sincerity and the possibility that the insurgents were using the ceasefire to rebuild their forces (Note: It was under Deuba's government that the Maoists walked out of the third round of peace talks last year and launched surprise attacks on army installations. End Note.)

RNA READY TO BATTLE IF TALKS FAIL

- 111. Colonel Deepak Gurung, spokesman for the Royal Nepal Army (RNA), said the RNA is committed to and will abide by the ceasefire, but was prepared to fight a "decisive war" with Maoist insurgents if necessary. Gurung, speaking on February 25 at the RNA's first press conference since the ceasefire was announced, said the army welcomed the ceasefire, but was also prepared if the peace talks failed. Gurung said the RNA would not spare anybody if they are attacked, and expressed confidence that the insurgents did not have the capabilities to win against the RNA. He also said the army would not return to the barracks until peace is completely restored.
- 112. Gurung described some of the ongoing projects the RNA is currently involved in, including the reconstruction of buildings, school and health facilities that were destroyed during the insurgency. According to Gurung, the RNA is also running health camps in the mid-western regions, which

provide medical treatment to Maoists as well as civilians. The army's barracks in Dang, Achham and Arghakhanchi Districts, which were destroyed by Maoist attacks, have also been rebuilt.

PRISONERS THREATEN HUNGER STRIKE

- Prisoners in Nakkhu Jail in Kathmandu have threatened on February 25 to go on a hunger strike if the GON does not meet the Maoists' demands for the release of its imprisoned cadres. The prisoners, who are already staging sit-ins and protests within the jails, said they would begin hunger strikes if their list of demands, sent to Prime Minister Lokendra Bahadur Chand through facilitators, was not taken seriously. The memorandum insists the GON create a conducive environment for peace talks, release information on the whereabouts of missing Maoist cadres, and stop propaganda against the Maoists. (Note: Government officials have explained publicly that Maoist cadres who have been arrested for serious crimes cannot be released without following formal legal procedures. End Note.)
- 114. In Jhapa District, police allegedly rearrested nine suspected Maoists immediately after they were released from the Jhapa Jail. According to press reports, there are forty-two suspected Maoists still imprisoned in Jhapa.

MAOIST THREATEN JOURNALIST

- 115. Maoists reportedly have issued a death threat to a journalist who wrote an unfavorable article about the insurgents. Rabin Prasad Thapalia, a journalist with the weekly Ruprekha, blamed the insurgents for creating widows and orphans, and preventing people from celebrating religious festivals. The Maoists, in turn, threatened to "terminate" Thapalia if he did not retract his story and publicly apologize. According to Thapalia, he printed an apology in the paper, but the insurgents said it was inadequate. The insurgents allegedly have warned Thapalia's family that if he returns to his village in central Nuwakot District he will be killed.
- $\underline{\ }$ 116. According to reports from Accham District, Maoists have confined a journalist to his village in Darna. Deepak Bahadur Thapa has been restricted to his village and cannot leave without permission from the Maoists. No reason was given for his confinement.
- 117. The Reporters' Club Nepal, a local organization of journalists, issued a press release on February 26 denouncing the Maoists for their treatment of journalists. Rishi Dhamala, President of the organization, said journalists should not be threatened or punished for what they report, and that both the Maoists and the GON should respect the role the press plays in the peace process.

IG KILLED BY MAOIST SPECIAL FORCES

118. A report submitted on February 21 by the team investigating the murders of Krishna Mohan Shrestha, Inspector General of the Armed Police Force, his wife and bodyguard (Ref A), states that a special task force of Maoists was responsible for the murder. The report states that seven people were involved with the planning of the murder, while four directly carried it out. The insurgents allegedly had planned the murder for some time, monitoring Shrestha's activities and taking note of his daily routine.

MAOISTS ADMIT KILLING; PLEDGE HELP

- 119. Maoists reportedly have admitted to mistakenly killing two children and seriously injuring another at a primary school in northwestern Baglung District on February 18 (Ref B). The insurgents have pledged to help the injured child with medical treatment and also gave twenty-six dollars to each of the guardians of the deceased children. Villagers said, however, that the insurgents refused to give the corpses to the families and instead buried them near a local stream. Villagers later helped to dig up the children's bodies so that the families could perform a proper burial.
- 120. Maoists in Parbat District issued a statement on February 22 denying that they are responsible for looting and extortion in the district. The insurgents have also warned criminals not to call themselves Maoists. Looting incidents reportedly have increased in Tanahun District as well, despite the ceasefire. Security forces suspect that Maoists are involved. Maoists are also suspected in the February 22 shooting death of a man in Dang District, who they accused of stealing.

WAR WITH THE PALACE?

121. Maoists held a mass meeting in Bara District on February 26 where they reportedly proclaimed that the war in the future would be between them and the Royal Palace. The insurgents said the ultimate goal is to gain control over the central government. Jamin Prakash Shah, District Commander, and other speakers at the meeting said that the GON had failed to form a negotiating team because it is not serious about the talks.

MALINOWSKI